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Financial reports and audited financial statements, and reports of the Board of Auditors

Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations

Implementation of the recommendations of the Board of Auditors concerning United Nations peacekeeping operations for the financial period ended 30 June 2007

Report of the Secretary-General

Summary

The present report provides additional information in response to the recommendations of the Board of Auditors as contained in its report on the United Nations peacekeeping operations for the period ended 30 June 2007 (A/62/5 (Vol. II), chap. II). The report is submitted in accordance with paragraph 7 of General Assembly resolution 48/216 B, in which the Secretary-General was requested to report to the Assembly at the same time as the Board of Auditors submitted its recommendations to the Assembly on measures taken or to be taken to implement those recommendations.

The Administration has concurred with many of the Board's recommendations, and most of the comments of the Secretary-General have been duly reflected in the report of the Board. Therefore, in an effort to reduce redundancy and streamline documentation, the present report provides additional comments from the Administration only where required, as well as information on the status of implementation, the office responsible, the estimated completion date and the priority for each recommendation contained in the report of the Board of Auditors. In addition, the present report contains an updated status of the implementation of the recommendations of the Board relating to prior periods that were reported by the Board as not having been fully implemented in annex II to its report.

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I. Introduction

1. In paragraph 7 of its resolution 48/216 B, the General Assembly requested the Secretary-General to report to it on the measures that would be taken to implement the recommendations of the Board of Auditors at the same time that the report of the Board was submitted to the Assembly. Accordingly, the present report is submitted in response to the recommendations of the Board contained in its report on the accounts of the United Nations peacekeeping operations for the 12-month period ended 30 June 2007.[1]

2. In preparing the present report, account was taken of the provisions of the following General Assembly resolutions:

(a) Resolution 52/212 B (in particular paras. 2-5) and the note by the Secretary-General transmitting the proposals of the Board for improving the implementation of its recommendations approved by the Assembly (A/52/753, annex);

(b) Resolution 61/233 B, in which the Assembly, in paragraph 9, re-emphasized the requirement of inclusion by the Secretary-General in future reports of information on the setting of time frames, the identification of office-holders and priorities for implementation and, in paragraph 10, requested the Secretary-General to provide a full explanation for delays in implementation of the recommendations of the Board for prior periods.

3. With regard to prioritization, the Administration noted that the Board had categorized 24 of the 72 recommendations as "main" recommendations. While all accepted recommendations of the Board will be implemented in a timely manner, these main recommendations will be considered to be of the highest priority. Tables 1 and 2 below summarize the status of implementation of recommendations as at March 2008.

Table 1
Status of implementation of main recommendations

Department responsible	*Number of recommendations*	*Not accepted*	*Implemented or closure requested*	*In progress*	*Target date set*	*No target date*
Department of Peacekeeping Operations and Department of Field Support	16	—	7	9	4	5
Department of Management	5	—	2	3	3	—
Office of Internal Oversight Services	1	—	—	1	1	—
Department of Management, Department of Peacekeeping Operations and Department of Field Support	2	—	—	2	2	—
Department of Peacekeeping Operations, Department of Field Support and Office of Internal Oversight Services	—	—	—	—	—	—
Total	**24**	**—**	**9**	**15**	**10**	**5**

[1] *Official Records of the General Assembly, Sixty-second Session, Supplement No. 5, Vol. II* (A/62/5 (Vol. II)), chap. II.

4. As indicated in table 1, the implementation of 15 main recommendations is in progress, of which 9 are targeted for implementation before the end of 2008 and 1 for implementation by the first quarter of 2009. Of the 5 main recommendations for which no target date has been set, 2 pertain to ongoing activities, 1 is to be determined and the full implementation of 2 recommendations is dependent on factors that are beyond the control of the Secretariat.

Table 2
Status of implementation of all recommendations

Department responsible	*Number of recommendations*	*Not accepted*	*Implemented or closure requested*	*In progress*	*Target date set*	*No target date*
Department of Peacekeeping Operations and Department of Field Support	59	1	26	32	21	11
Department of Management	9	—	2	7	7	—
Office of Internal Oversight Services	1	—	—	1	1	—
Department of Management, Department of Peacekeeping Operations and Department of Field Support	2	—	—	2	2	—
Department of Peacekeeping Operations, Department of Field Support and Office of Internal Oversight Services	1	—	—	1	1	—
Total	**72**	**1**	**28**	**43**	**32**	**11**

5. As indicated in table 2, the implementation of 43 recommendations is in progress, of which 28 are targeted for implementation before the end of 2008 and 4 for implementation in the first half of 2009. Of the 11 recommendations for which no target date has been set, 2 pertain to ongoing activities, 1 is to be determined and the full implementation of 8 recommendations is dependent on factors that are beyond the control of the Secretariat.

II. Implementation of the recommendations contained in the report of the Board of Auditors

6. Set out below is the information requested by the General Assembly on the status of implementation of recommendations contained in the report of the Board of Auditors for the financial period ended 30 June 2007.[1] As indicated in the summary of the present report, most of the Administration's comments have already been included in the Board's report; thus, additional comments are provided below only where required.

7. **In paragraph 35, the Board recommended that the Administration keep the matter of the non-provision for delays in the collection of outstanding contributions under review.**

8. In paragraph 31, the Board noted that the policy of the Administration regarding the provision for delays in the collection of outstanding contributions did not follow the United Nations system accounting standards. It should be noted that

the standards allow, but do not require, such provision for assessments. In accordance therewith, the Administration disclosed in note 2 (l) (iii) that assessed contributions represent legal obligations of contributors and that it is the policy of the United Nations not to make provision for delays in collection of such receivables. Furthermore, in its resolution 61/233 B, the General Assembly reiterated that the issue of outstanding contributions was a policy matter of the General Assembly and urged all Member States to make every possible effort to ensure the payment of their assessed contributions in full.

Department responsible: Department of Management
Status: Accepted
Priority: High
Target date: Ongoing

9. **In paragraph 38, the Board recommended that the Administration ascertain the reasons for the high incidence of cancellation of unliquidated obligations with a view to minimizing the extent to which such cancellations took place.**

10. The Administration has repeatedly emphasized the need for the appropriate establishment of obligations and their review. In fiscal year 2007, the ratio of cancellation to total unliquidated obligations of the prior financial period decreased from 24 per cent in fiscal year 2006 to 19 per cent, indicating an improvement achieved by the ongoing measures. In fiscal year 2008, the Administration is taking additional steps for the monitoring of obligations and for their timely cancellation.

Department responsible: Department of Management
Status: In progress
Priority: High
Target date: Third quarter of 2008

11. **In paragraph 41, the Board recommended that the Administration ensure strict compliance with cut-off procedures in the preparation of financial statements.**

12. As confirmed by the Board of Auditors in paragraph 42 of their report, the credits reserved in the accounts by the United Nations Mission in the Sudan (UNMIS) were in compliance with the exemption granted to the Mission by United Nations Headquarters to acquire goods and services that were urgently required. The Mission was in compliance with the cut-off procedures, as the obligations were recorded in the accounts within the approved extended cut-off period.

Departments responsible: Department of Peacekeeping Operations and Department of Field Support
Status: Closure by the Board requested
Priority: Medium
Target date: Not applicable

13. **In paragraph 44, the Board recommended that the United Nations Interim Force in Lebanon (UNIFIL) and the United Nations Mission in Ethiopia and Eritrea (UNMEE) strictly adhere to the requirements of rule 105.9 of the Financial Regulations and Rules of the United Nations in relation to unliquidated obligations, and improve their internal control procedures.**

14. **The two missions have implemented appropriate measures in order to ensure that obligations are supported by valid documents in accordance with established procedures.**

Departments responsible: Department of Peacekeeping Operations and Department of Field Support
Status: Implemented
Priority: High
Target date: Not applicable

15. **In paragraph 49, the Board recommended that the Administration obtain the data necessary to appropriately disclose end-of-service liabilities for future years.**

16. In paragraphs 47 and 48, the Board noted that current year change in the accrued end-of-service liabilities should be reflected as expenditure. Since the change in accounting policy regarding end-of-service liabilities was made effective 30 June 2007, the liabilities accrued as at 30 June 2007 represented the cumulative effect of all periods. Therefore, it was appropriate to reflect the cumulative effect as an adjustment to reserve and fund balances rather than as expenditure for a part thereof. However, the change in the accrued end-of-service liabilities that occur in fiscal year 2008 will be reflected as expenditure in the 2008 financial period.

Department responsible: Department of Management
Status: In progress
Priority: High
Target date: Third quarter of 2008

17. **In paragraph 67, the Board reported that the Administration had agreed with its reiterated recommendation that, in the light of changing circumstances and needs, it revisit the criteria set out by the Secretary-General in relation to the creation of posts (A/45/493, subparas. 16 (e) and (f)) to determine those that might hamper the efficient management of the support account for peacekeeping operations.**

18. In February 2008, all departments and offices funded from the support account were requested to review the criteria set out in the report of the Secretary-General (A/45/493), bearing in mind the context in which they had been set out, namely, prior to the formal establishment by the General Assembly of the peacekeeping operations support account and the then existing ad hoc nature of the backstopping of peacekeeping operations, whereby the authority for the establishment of the peacekeeping backstopping posts was under the Secretary-General's authority. The Administration will continue to follow up on the matter.

Department responsible: Department of Management
Status: In progress
Priority: High
Target date: Third quarter of 2008

19. **In paragraph 72, the Board reported that the Administration had agreed with its reiterated recommendation that it ensure that workplans provide adequate, clear/specific, consistent and updated information to facilitate review and verification of the use of posts, as intended. The Board also recommended that the Administration require incumbents and their supervisors to ensure**

that workplans reflect the activities to be undertaken in connection with peacekeeping operations.

20. In February 2008, departments and offices funded from the support account were requested to address the observations of the Board of Auditors relating to appropriate documentation of the utilization of the resources provided under the support account for peacekeeping operations in the context of the completion of the workplans by incumbents of the support account posts for 2008/09, as well as in the evaluation of the implementation of workplans for 2007/08, so that individual staff members' workplans and evaluations provide adequate, clear/specific, consistent and updated information to facilitate review and verification of the use of support account posts, as intended, and reflect the activities related to peacekeeping.

21. At the same time, the Administration reiterates its comment that it wishes to maintain the current approach whereby such support falls within the overall functional responsibilities of the unit or section concerned, and whereby programme managers have flexibility in utilising the totality of resources to achieve the results set out in the results-based-budgeting frameworks and the strategic framework.

Department responsible: Department of Management
Status: In progress
Priority: Medium
Target date: Second quarter of 2008

22. **In paragraph 78, the Board recommended that the Administration ensure that all departments and offices involved in the support account continue to improve the budget formulation processes in accordance with the results-based-budgeting logical framework.**

23. The Administration agrees with the recommendation and will continue to improve the budget formulation process in the context of the preparation of the proposed support account requirements for 2009/10.

Department responsible: Department of Management
Status: In progress
Priority: Medium
Target date: Second quarter of 2009

24. **In paragraph 80, the Board reiterated its previous recommendation that the Administration ensure that all indicators of achievement and outputs for the results-based-budgeting framework are clear and measurable and that they include baselines and targets for the current and the ensuing financial year in order to facilitate monitoring and reporting.**

Departments responsible: Department of Peacekeeping Operations and Department of Field Support
Status: Implemented
Priority: High
Target date: Not applicable

25. **In paragraph 84, the Board recommended that the Administration ensure that: (a) all performance results are properly substantiated by documented proof of output; and (b) information contained in the portfolio of evidence is certified as correct by the cost centre managers and validated on a test basis by the Office of Internal Oversight Services (OIOS).**

26. The electronic budget application is presently under development. Missions are currently using the Lotus Notes database system to ensure regular and accurate information-gathering. The electronic budgeting application, which is under development, will incorporate the portfolio of evidence and replace the Lotus Notes application. Regarding part (b) of the recommendation, the establishment of a meaningful and credible process of certification and validation would require more resources than those currently available in the missions. Notwithstanding, the above information in the performance reports is vetted through the chain of approval process and is also reviewed at Headquarters by the relevant officials in the respective components.

27. With reference to the validation on a test basis by OIOS of information contained in the portfolio of evidence, the OIOS Internal Audit Division carried out audits related to this subject in the United Nations Mission in Liberia (UNMIL), the United Nations Operation in Côte d'Ivoire (UNOCI), the United Nations Interim Administration Mission in Kosovo (UNMIK) and the United Nations Stabilization Mission in Haiti (MINUSTAH), and reports were issued, with the exception of the one on MINUSTAH, which is still in draft form.

Departments responsible: Department of Peacekeeping Operations,
Department of Field Support and
Office of Internal Oversight Services

Status: In progress
Priority: Medium
Target date: Third quarter of 2008

28. **In paragraph 86, the Board reported that UNMIK had agreed with its recommendation that it: (a) reinforce and strengthen the use of the Lotus Notes database system to ensure regular and accurate information-gathering; (b) provide training on the operation of the Lotus Notes system to all cost centre managers and results-based-budgeting focal points; and (c) gather information on a regular basis throughout the financial period to enable the Mission to compile a portfolio of evidence.**

29. UNMIK has enforced the use of the Lotus Notes database system to facilitate the information-gathering process. The system has been updated with the 2007/08 results-based-budgeting framework indicators and the Budget and Cost Control Unit has been assigned the task of monitoring the status of information-gathering and following up on any deficiencies in the process. The Unit will ensure that the information is gathered on a regular basis throughout the financial period for the compilation of a portfolio of evidence. It will also generate monthly consolidated reports on results-based-budgeting component-based level for circulation to the senior management of the Mission. The Mission provided training on the operation of the Lotus Notes database system to all cost centre managers and results-based-budgeting focal points in November 2007.

Departments responsible: Department of Peacekeeping Operations and Department of Field Support
Status: Implemented
Priority: Medium
Target date: Not applicable

30. **In paragraph 89, the Board recommended that the above missions strictly observe the guidelines and procedures outlined under sections 2.4.1, 3.4 and 5.8 of the Field Finance Procedure Guidelines relating to the handling of cash.**

Department responsible: Department of Peacekeeping Operations and the Department of Field Support
Status: Implemented
Priority: Medium
Target date: Not applicable

31. **In paragraph 92, the Board recommended that the United Nations Organization Mission in the Democratic Republic of the Congo (MONUC) implement necessary controls to monitor effectively the collection of outstanding receivables.**

Departments responsible: Department of Peacekeeping Operations and Department of Field Support
Status: Implemented
Priority: Medium
Target date: Not applicable

32. **In paragraph 96, the Board recommended that the United Nations Mission for the Referendum in Western Sahara (MINURSO) and UNOCI, in coordination with Headquarters, make the necessary representation to the Governments of the concerned countries for the settlement of the long-outstanding amounts due the missions.**

Departments responsible: Department of Peacekeeping Operations and Department of Field Support
Status: In progress
Priority: Medium
Target date: Full implementation is dependent on external factors

33. **In paragraph 102, the Board recommended that the Administration consider disclosing in the financial statements the value of unused expendable property at the end of the financial period in order to improve transparency, accountability and financial reporting, and in preparation for the implementation of the International Public Sector Accounting Standards.**

34. The Administration considers that this should be reviewed in the broader context of the implementation of the International Public Sector Accounting Standards and the enterprise resource planning system, which are being undertaken concurrently. It should be noted that neither the Financial Regulations and Rules of the United Nations nor the United Nations system accounting standards require such disclosure. Considerable administrative resources would be required to gather and maintain the data, together with modifications of systems, processes and procedures. Therefore, the Administration considers that it is not appropriate to implement this at present; however, the Administration considers that such disclosure will be

appropriate when financial statements that are in compliance with the International Public Sector Accounting Standards are prepared in future.

Department responsible: Department of Management
Status: Implemented
Priority: High
Target date: Not applicable

35. **In paragraph 108, the Board reported that the Administration had agreed with its reiterated recommendation that it implement an effective system of inventory management, especially with regard to stock levels, lead times for the replenishment of stocks and reorder quantities.**

Departments responsible: Department of Peacekeeping Operations and Department of Field Support
Status: In progress
Priority: Medium
Target date: Fourth quarter of 2008

36. **In paragraph 116, the Board recommended that UNMIS, MINUSTAH, MONUC, UNLB and UNMIL: (a) conduct a physical inventory of all expendable property at all locations and reconcile the discrepancies between the physical counts and the quantities recorded in the Galileo system; (b) update the Galileo system promptly whenever there were inventory movements; and (c) ensure that the locations of inventories as recorded in Galileo agreed with the actual physical locations.**

Departments responsible: Department of Peacekeeping Operations and Department of Field Support
Status: In progress
Priority: High
Target date: Ongoing

37. **In paragraph 123, the Board recommended that the Administration expedite the review of non-expendable property at all missions to ascertain the realistic quantities that should be held and take appropriate measures to redeploy surplus assets to other missions in need of them or to the United Nations Logistics Base at Brindisi, Italy (UNLB), or to dispose of them.**

Departments responsible: Department of Peacekeeping Operations and Department of Field Support
Status: Implemented
Priority: High
Target date: Not applicable

38. **In paragraph 129, the Board reiterated its previous recommendation that the Department of Field Support (DFS) and the Department of Management, respectively, ensure that the Local Property Survey Board and the Headquarters Property Survey Board expedite all cases brought to their attention, particularly in regard to assets pending write-off.**

Departments responsible: Department of Management, Department of Peacekeeping Operations and Department of Field Support

Status: In progress
Priority: High
Target date: Third quarter of 2008

39. **In paragraph 132, the Board recommended that the United Nations Disengagement Observer Force (UNDOF) strictly classify cases for write-off according to the category stipulated.**

40. As confirmed by the Board of Auditors in its interim report on UNDOF, the mission expeditiously reviewed the cases and corrected the errors noted. The mission is in full compliance with the requirements on the classification of cases for write-off.

Departments responsible: Department of Peacekeeping Operations and Department of Field Support

Status: Implemented
Priority: Medium
Target date: Not applicable

41. **In paragraph 135, the Board recommended that MONUC and UNMIL identify the causes for the delays in the disposal of non-expendable property and take appropriate measures to expedite such disposal.**

Departments responsible: Department of Peacekeeping Operations and Department of Field Support

Status: In progress
Priority: Medium
Target date: Full implementation is dependent on the provision of resources

42. **In paragraph 139, the Board reiterated its previous recommendations that the Administration ensure that: (a) periodic physical verifications of non-expendable property at the various missions are carried out; (b) discrepancies are promptly investigated; and (c) corrective action is taken to avoid a recurrence.**

43. The comments of the Department of Field Support are reflected in paragraph 140 of the Board's report. Furthermore, the Department has issued a directive to the missions on property control and accountability in January 2008, whereby the missions were requested to ensure that full physical inventory checks were conducted and balances reconciled with the information in the Galileo system to facilitate timely investigation and correction of noted discrepancies.

Departments responsible: Department of Peacekeeping Operations and Department of Field Support

Status: Implemented
Priority: High
Target date: Not applicable

44. **In paragraph 144, the Board recommended that the Administration enhance its existing Galileo inventory management system by instituting a trigger mechanism that would indicate when a strategic deployment stock item was about to become obsolete.**

Departments responsible: Department of Peacekeeping Operations and Department of Field Support

Status: In progress
Priority: Medium
Target date: Second quarter of 2009

45. **In paragraph 153, the Board recommended that the Administration ensure that troop-contributing countries adhere as far as possible to the requirements of the memorandums of understanding relating to the quality and standard of the equipment provided.**

Departments responsible: Department of Peacekeeping Operations and Department of Field Support

Status: Implemented
Priority: Medium
Target date: Not applicable

46. **In paragraph 157, the Board recommended that the Department of Field Support ensure that the United Nations Observer Mission in Georgia (UNOMIG), UNDOF and UNMIS: (a) conduct quarterly inspections of contingent-owned equipment in a timely manner so as to facilitate reimbursements to troop-contributing countries; and (b) require that all inspection reports at all times be signed by the duly designated contingent representatives.**

Departments responsible: Department of Peacekeeping Operations and Department of Field Support

Status: Implemented
Priority: High
Target date: Not applicable

47. **In paragraph 165, the Board reiterated its previous recommendation that the Administration investigate the causes of the discrepancies and errors in reports generated by CarLog and implement measures to rectify them.**

Departments responsible: Department of Peacekeeping Operations and Department of Field Support

Status: Implemented
Priority: High
Target date: Not applicable

48. **In paragraph 171, the Board recommended that the Administration take measures to: (a) implement the mission electronic fuel accounting system in full at all UNIFIL stations to enhance controls over fuel consumption; and (b) improve the reliability of the fuel consumption records of UNOCI.**

Departments responsible: Department of Peacekeeping Operations and Department of Field Support

Status: In progress
Priority: Medium
Target date: Third quarter of 2008

49. **In paragraph 174, the Board recommended that the United Nations Integrated Mission in Timor-Leste (UNMIT) ensure strict compliance with the**

Procurement Manual in relation to the receipt and inspection of petroleum products.

Departments responsible: Department of Peacekeeping Operations and Department of Field Support
Status: Implemented
Priority: Medium
Target date: Not applicable

50. **In paragraph 178, the Board recommended that the Administration take appropriate measures to improve the accountability for fuel consumption at the United Nations Peacekeeping Force in Cyprus (UNFICYP) and UNMIT.**

Departments responsible: Department of Peacekeeping Operations and Department of Field Support
Status: In progress
Priority: Medium
Target date: Third quarter of 2008

51. **In paragraph 184, the Board recommended that the Administration, in conjunction with UNOCI, UNMIL and MONUC, identify the causes for delays in the issuance of purchase orders and adopt measures to ensure that all purchase orders are issued within a reasonable time after the approval of the related requisitions.**

Departments responsible: Department of Peacekeeping Operations and Department of Field Support
Status: In progress
Priority: High
Target date: Third quarter of 2008

52. **In paragraph 192, the Board recommended that MINUSTAH, in collaboration with the Procurement Service, expedite the finalization of contracts in relation to the supply of fuel.**

53. The Secretariat continues to take steps to expedite the finalization of contracts with regard to this matter, while ensuring the strict enforcement of all requirements, including the need for all contracts to be signed by the contracting parties before the delivery of services.

54. With regard to the contract for aviation fuel, the Procurement Division is in the process of reviewing a draft contract, which will be presented to the vendor in April 2008. As regards the ground fuel contract, a request for proposals was conducted for a short-term contract for MINUSTAH, pending resolution of the impasse over the disputed invoices. The Headquarters Committee on Contracts, however, recommended deferral of the case until further clarifications were obtained from the Procurement Division and the Mission. Consequently, MINUSTAH extended the contract for a further six-month period while the Procurement Division, in conjunction with the Department of Field Support, conducted contract negotiations for the new long-term ground fuel contract. The Procurement Division has since sought and received further justification from the Department of Field Support for ex post facto approval of the extension to the existing contract, which was submitted to the Headquarters Committee on Contracts for review at its meeting on 1 April 2008.

Department responsible: Department of Management
Status: In progress
Priority: Medium
Target date: Second quarter of 2008

55. **In paragraph 195, the Board reported that the Administration had agreed with its recommendation that UNMEE strictly adhere to the requirements of the Procurement Manual in regard to the delegation of authority.**

Departments responsible: Department of Peacekeeping Operations and Department of Field Support
Status: Implemented
Priority: Medium
Target date: Not applicable

56. **In paragraph 198, the Board reported that the Administration had agreed with its recommendation that UNFICYP ensure that copies of insurance policies covering the property and equipment used by contractors are obtained and filed with the related contracts.**

57. The Department of Field Support has reminded UNFICYP to monitor closely its contract award process and ensure that the required additional terms on insurance are strictly complied with. The Mission has been requested to obtain the evidence of insurance policies on the two contracts noted by the auditors.

Departments responsible: Department of Peacekeeping Operations and Department of Field Support
Status: In progress
Priority: Medium
Target date: Second quarter of 2008

58. **In paragraph 203, the Board recommended that the Administration ensure that, when executing contracts, all missions adhere strictly to the requirements of the Procurement Manual in respect of performance bonds and liquidated damages.**

Departments responsible: Department of Peacekeeping Operations and Department of Field Support
Status: In progress
Priority: High
Target date: Ongoing

59. **In paragraph 208, the Board recommended that the Administration take steps to ensure that all missions strictly comply with the requirements of the Procurement Manual dealing with the evaluation of vendor performance.**

60. The web portal through which missions provide their performance reports has been fully operational and the missions are current in the submission of the vendor performance evaluation reports.

Departments responsible: Department of Peacekeeping Operations and Department of Field Support
Status: Implemented
Priority: Medium
Target date: Not applicable

61. **In paragraph 211, the Board reiterated its previous recommendation that the Administration expedite the issuance of guidelines for the registration of local vendors, in consultation with the missions.**

62. The Procurement Division has given top priority to the issue of streamlining and simplification of the vendor registration system both at Headquarters and field offices, including peacekeeping missions and international tribunals. Since the issuance of the Board's report, the Division, in consultation with the Department of Field Support, has established a joint working group to review the existing vendor registration process with the aim of identifying the factors that constrain the efforts of the Organization and to streamline and simplify the vendor registration process.

63. Following the identification of three main challenges, namely: (a) lack of a common vendor registration policy; (b) ownership and operation of the United Nations Global Marketplace and (c) lack of an appropriate and compatible information technology systems interface at the global, regional and local levels, new vendor registration criteria have been developed as part of a new vendor registration process. The new process will allow for small (local), medium (regional) and large (international) vendors to register through a central electronic platform — the United Nations Global Marketplace — and submit the appropriate and relevant documents based on the volume of business that each vendor intends to conduct with the Organization. This system facilitates the registration of vendors with different capacity levels, while continuing to mitigate risk in acquisition projects. The new vendor registration system has been thoroughly discussed with and examined by the chief procurement officers in the field offices and, where appropriate, their input has been taken into account to ensure that the new process has the built-in capacity to address the exigencies and flexibility of field procurement operations. The system has been approved by the Controller and is scheduled to be launched in April 2008 as a six-month pilot programme at Headquarters, before being introduced in field missions.

Department responsible: Department of Management
Status: In progress
Priority: Medium
Target date: Fourth quarter of 2008

64. **In paragraph 214, the Board reported that the Administration had agreed with its recommendation that the management of UNIFIL take the necessary measures to ensure that the vendor database is periodically updated.**

Departments responsible: Department of Peacekeeping Operations and Department of Field Support
Status: In progress
Priority: Medium
Target date: Third quarter of 2008

65. **In paragraph 215, the Board recommended that the management of both UNIFIL and UNOCI ensure strict compliance with the requirement relating to temporary vendors.**

Departments responsible: Department of Peacekeeping Operations and Department of Field Support
Status: In progress
Priority: Medium
Target date: Third quarter of 2008

66. In paragraph 218, the Board recommended that the management of MONUC take measures to: (a) fill all vacant posts in the Procurement Section; (b) implement a rotation plan for all procurement staff; and (c) improve the documentation and filing system.

67. The rotation of procurement officers, as envisioned by the Board of Auditors, would not be possible, as staff contracts are limited to a specific mission and it would be contrary to General Assembly resolution 51/226. While, under staff regulation 1.2 (c), staff members are subject to the authority of the Secretary-General and to assignment by him or her to any of the activities or offices of the United Nations, the General Assembly, in its resolution 51/226, requested the Secretary-General to announce all vacancies so as to give equal opportunity to all qualified staff and to encourage mobility, it being understood that the discretionary power of the Secretary-General of appointment and promotion outside the established procedures should be limited to his Executive Office, the under-secretary-general and assistant secretary-general levels, and special envoys at all levels. The proposals for human resources management reform currently before the General Assembly include streamlining contractual arrangements, removing the restriction of appointments to a specific mission and establishing conditions of service that would enable the managed mobility of field staff. The Advisory Committee on Administrative and Budgetary Questions, in its report A/62/7/Add.14, supported the Secretary-General's proposal that contracts of international staff serving in United Nations peacekeeping operations should no longer carry a limitation for service in a specific mission. The Advisory Committee further endorsed mobility across missions, and a designation of family and non-family duty stations in harmony with the agencies, funds and programmes.

68. With regard to succession plans, a team from the Field Personnel Division visited MONUC from 25 January to 15 February 2008. The team discussed a range of human resources and career-related issues and provided customized career support and guidance to the international staff of the Mission, with a view to assisting in their potential reassignment to new missions and addressing career-related issues. Follow-up actions will include the review of staff applications and personal history profiles and clearance of staff identified as potential candidates for other missions. MONUC is currently in the process of filling the vacant positions in the Procurement Section and will improve its filing system in order to facilitate the storage and retrieval of records.

Departments responsible: Department of Peacekeeping Operations and Department of Field Support
Status: In progress
Priority: Medium
Target date: Full implementation is dependent on the implementation of proposed human resources reforms

69. **In paragraph 229, the Board recommended that the Administration expedite the implementation of a rations management system to ensure the proper management and administration of rations.**

Departments responsible: Department of Peacekeeping Operations and Department of Field Support
Status: In progress
Priority: High
Target date: To be determined

70. **In paragraph 232, the Board recommended that UNDOF take appropriate measures to ensure that funding is available to facilitate the recruitment of a Rations Contracts Administrator.**

71. The Department of Field Support wishes to clarify that UNDOF is an integrated mission, where military staff officers can perform administrative functions. Accordingly, the functions of the Rations Contract Administrator have been clearly defined and incorporated into the responsibilities of the Staff Officer (Food), as that officer has easy access to both mission areas. The mission management has confirmed that the staff officer is performing functions that are vital to the proper management and administration of rations at the Mission.

Departments responsible: Department of Peacekeeping Operations and Department of Field Support
Status: Not accepted
Priority: Medium
Target date: Not applicable

72. **In paragraph 234, the Board recommended that MONUC, in conjunction with military contingents and formed police units, ensure that: (a) daily checks are made to ensure that rations are stored at the required temperature; and (b) adequate records are maintained of such daily checks.**

Departments responsible: Department of Peacekeeping Operations and Department of Field Support
Status: In progress
Priority: Medium
Target date: Second quarter of 2008

73. **In paragraph 237, the Board recommended that the Administration ensure that UNMIL and MINUSTAH take appropriate measures to ensure that rations are stored at the prescribed temperature in order to minimize spoilage.**

Departments responsible: Department of Peacekeeping Operations and Department of Field Support
Status: In progress
Priority: High
Target date: Second quarter of 2008

74. **In paragraph 240, the Board recommended that the Administration ensure that UNDOF: (a) strictly comply with the requirement to report, within the specified period, discrepancies in the receipt of rations; and (b) improve the conditions in which rations are stored.**

75. Major maintenance work was done on the existing warehouse at Camp Faouar in November 2007. A new warehouse is under construction and will be commissioned during the second quarter of 2008 to further enhance the efficient storage and management of rations at the Mission. At Camp Ziouani, the rations stores were cleared and reorganized in October 2007. In addition, stock management procedures have been revamped in order to guide the storage and handling of rations, as well as the preparation of reports on discrepancies, in a timely manner.

Departments responsible: Department of Peacekeeping Operations and Department of Field Support

Status: In progress
Priority: Medium
Target date: Second quarter of 2008

76. **In paragraph 243, the Board recommended that the management of UNMIT and of UNOCI, respectively, ensure that contingents submit weekly reports of stock balances and improve their record keeping for rations.**

Departments responsible: Department of Peacekeeping Operations and Department of Field Support

Status: Implemented
Priority: Medium
Target date: Not applicable

77. **In paragraph 246, the Board reported that the Department of Peacekeeping Operations had agreed with its recommendation that UNMIL plan and monitor the distribution of composite rations packs to ensure that all contingents maintain the minimum reserves.**

Departments responsible: Department of Peacekeeping Operations and Department of Field Support

Status: Implemented
Priority: Medium
Target date: Not applicable

78. **In paragraph 253, the Board recommended that the Administration ensure that the Aviation Safety Section has adequate resources to ensure its full compliance with the requirements of the Aviation Safety Manual in relation to aviation surveys and inspections.**

Departments responsible: Department of Peacekeeping Operations and Department of Field Support

Status: In progress
Priority: Medium
Target date: Full implementation is dependent on the provision of resources

79. **In paragraph 256, the Board recommended that the Administration expedite the recruitment of personnel and the acquisition of meteorological equipment in order to minimize aviation safety risks and ensure compliance with both international and United Nations aviation safety standards.**

Departments responsible: Department of Peacekeeping Operations and Department of Field Support
Status: In progress
Priority: High
Target date: Full implementation is dependent on the provision of resources

80. **In paragraph 258, the Administration agreed with the Board's recommendation to provide adequate funding to MINUSTAH for the specialized training of aviation staff members.**

Departments responsible: Department of Peacekeeping Operations and Department of Field Support
Status: In progress
Priority: Medium
Target date: Full implementation is dependent on the provision of resources

81. **In paragraph 261, the Board reiterated its previous recommendation that UNIFIL strictly enforce the requirement relating to the approval of flight requests and waivers of limited liability whenever non-United Nations personnel are travelling on United Nations aircraft.**

82. UNIFIL has implemented appropriate measures to improve flight management procedures, particularly those relating to the travel of non-United Nations personnel on the Mission's aircraft. It is now standard practice for the passenger manifests to be posted a day before the flight, and non-United Nations personnel are reminded to complete the required waiver of limited liability form. Non-United Nations passengers are carried on a space-available basis and at no additional cost to the Mission. The Mission is in compliance with the established procedures relating to the travel of non-United Nations personnel.

Departments responsible: Department of Peacekeeping Operations and Department of Field Support
Status: Implemented
Priority: Medium
Target date: Not applicable

83. **In paragraph 263, the Board recommended that MONUC: (a) carry out an analysis to determine the extent to which a restriction in the use of its aircraft by non-United Nations personnel was likely to result in a reduction in the number of flights; and (b) consider the possibility of charging a partial or total cost recovery fee for the use of United Nations aircraft by non-United Nations personnel.**

84. The Department of Field Support clarifies that MONUC flights are operated solely for the purpose of meeting legitimate official business requirements and MONUC passengers travelling for non-duty purposes or any non-MONUC passengers travelling for any purpose are carried on a space-available, non-interference basis, and at no additional cost to the Organization. However, mission management is conducting a review in order to explore the feasibility of seeking reimbursement from non-MONUC passengers.

Departments responsible: Department of Peacekeeping Operations and Department of Field Support

Status: In progress
Priority: Medium
Target date: Second quarter of 2008

85. **In paragraph 266, the Board recommended that UNMIL seek ways of improving aircraft utilization.**

Departments responsible: Department of Peacekeeping Operations and Department of Field Support

Status: Implemented
Priority: Medium
Target date: Not applicable

86. **In paragraph 270, the Board reported that MONUC had agreed with its recommendation to expedite the updating of all emergency response plans on a regular basis.**

Departments responsible: Department of Peacekeeping Operations and Department of Field Support

Status: In progress
Priority: Medium
Target date: Second quarter of 2008

87. **In paragraph 274, the Board recommended that UNLB, in conjunction with United Nations Headquarters, expedite the establishment of a function dedicated to the development and enforcement of information and communications technology security standards and procedures.**

Departments responsible: Department of Peacekeeping Operations and Department of Field Support

Status: In progress
Priority: High
Target date: Full implementation is dependent on the provision of resources

88. **In paragraph 277, the Board recommended that MONUC: (a) formally document and implement a specific disaster recovery plan; and (b) implement the change management policy.**

Departments responsible: Department of Peacekeeping Operations and Department of Field Support

Status: In progress
Priority: Medium
Target date: Third quarter of 2008

89. **In paragraph 280, the Board recommended that UNMIL: (a) convene regular meetings of the Information and Communication Technology Review Committee and increase the scope of the Committee to include overall information and communications technology governance; and (b) prepare a business continuity plan.**

Departments responsible: Department of Peacekeeping Operations and Department of Field Support

Status: In progress
Priority: Medium
Target date: Second quarter of 2008

90. **In paragraph 283, the Board recommended that MONUC implement best practices as regards password and logical access controls by ensuring that passwords are alphanumeric.**

Departments responsible: Department of Peacekeeping Operations and Department of Field Support

Status: Implemented
Priority: Medium
Target date: Not applicable

91. **In paragraph 285, the Board reiterated its previous recommendation that missions, in conjunction with Headquarters, develop and implement comprehensive human resources plans, as well as succession plans, to enable them to attract and retain suitably qualified and trained personnel.**

Departments responsible: Department of Peacekeeping Operations, Department of Field Support and Department of Management

Status: In progress
Priority: High
Target date: First quarter of 2009

92. **In paragraph 293, the Board recommended that the Administration expedite the filling of vacancies at all missions.**

93. Despite the fact that approximately 3,000 recruitment actions are processed annually, high vacancy rates continue to be observed in missions. A 9.5 per cent increase in vacancy rates was observed between 30 June 2006 and 30 June 2007. The overall vacancy rate was 23 per cent as at 30 June 2007, compared to 21 per cent as at 30 June 2006. During the same period, the number of authorized posts had increased by 25 per cent, from 20,315 in June 2006 to 25,407 in June 2007. The rate was reduced to 17 per cent in December 2007. Missions continue to face a persistent annual 28 per cent turnover rate for positions in the Professional category, with 59 per cent of Professional mission staff having two years experience or less in United Nations peace operations. The Secretary-General's proposals for human resources management reform set out in his report entitled "Investing in people" (A/61/255 and Add.1 and Corr.1) seek to address inadequacies in the conditions of service of staff serving in the field and, if adopted by the General Assembly, would contribute to the reduction of high vacancy and turnover rates. Most of the proposals include offering increased job security through the introduction of one type of United Nations staff contract under one series of staff rules, the designation of missions as family or non-family based on the security phase and the harmonization of conditions of service for staff serving in non-family duty stations with those of the United Nations agencies, funds and programmes.

94. One of the tools for addressing the timely filling of vacancies is the human resources action plan. The plan is a shared commitment by the Under-Secretary-General for Peacekeeping Operations and the Special Representative of the

Secretary-General and Head of Mission to recruit and retain high-quality civilian staff for the field. Realistic targets to reduce timelines in the selection process to decrease the high vacancy and turnover rates and ensure proper recording of recruitment timelines have been established. The Department of Field Support has committed itself to providing missions with the necessary support to achieve the targets. Missions have been granted the authority and responsibility to implement the automated selection process at the mission level through the automated vacancy management module, which will enable them to record their actions in the selection process in a timely manner. Missions have also been delegated authority and responsibility for staffing tables and post management to facilitate proper workforce and succession planning. A vacancy management module has been introduced in the Nucleus system to record local staff recruitment and facilitate the timely selection by field missions and to monitor timelines for the selection of locally recruited staff members. The implementation of the action plan is expected to decrease vacancy and turnover rates, thereby contributing to retention and development of field staff through career development and succession planning and to prepare staff members for future development through training. This will be based on identifying and developing a pool of talented staff to ensure leadership continuity for all key positions in the missions, in terms of competency levels, gender equality and geographical considerations. Succession planning is linked with forecasting the critical staffing needs for all peace operations and moulding the staff so that they are in the right position at the right time and can actively engage in the fulfilment of the missions' mandates. In consultation with the Department of Peacekeeping Operations Integrated Training Service and the Office of Human Resources Management Staff Development Service, the Department of Field Support will identify all staff development activities and professional training available, inclusive of certifications that they would require to strengthen the ties between succession planning, performance management, career mobility and profiles.

Departments responsible: Department of Peacekeeping Operations and Department of Field Support

Status: In progress

Priority: Medium

Target date: Full implementation is dependent on the implementation of proposed human resource reforms

95. **In paragraph 296, the Board recommended that UNDOF ensure that personnel files are always kept up to date.**

Departments responsible: Department of Peacekeeping Operations and Department of Field Support

Status: Implemented

Priority: Medium

Target date: Not applicable

96. **In paragraph 302, the Board recommended that the Administration continue to develop and implement strategies and targets in human resources plans with a view to achieving the 50/50 gender balance at all missions.**

Departments responsible: Department of Peacekeeping Operations and Department of Field Support
Status: In progress
Priority: Medium
Target date: First quarter of 2009

97. **In paragraph 305, the Board recommended that MONUC: (a) adhere to the deadlines set for the submission and finalization of performance appraisals by all staff members; and (b) establish a management review committee in compliance with the requirements of the Human Resources Handbook.**

Departments responsible: Department of Peacekeeping Operations and Department of Field Support
Status: In progress
Priority: Medium
Target date: Second quarter of 2008

98. **In paragraph 308, the Board recommended that UNOCI take the necessary measures to recruit trainers and translators in order to ensure that the required training of military contingents is undertaken.**

99. UNOCI is applying the train-the-trainer approach in order to maximize its capacity to train military personnel, who will then train their colleagues. Such training is provided on site and is usually organized as soon as the troops are deployed. In order to ensure that respective training programmes are delivered to all contingent members, in July 2007 UNOCI implemented a database for monitoring attendance at training by military personnel. Training certificates are also issued to the respective contingents. Since August 2007, regular visits have been made to the field to evaluate the training programmes and to meet with contingent commanders, urging them to train and explain the sensitivity of sexual exploitation and abuse cases to their troops.

Departments responsible: Department of Peacekeeping Operations and Department of Field Support
Status: Implemented
Priority: Medium
Target date: Not applicable

100. **In paragraph 312, the Board reported that the Department of Field Support had agreed with its recommendation that UNMIL: (a) implement a formal budget policy within the Mission; and (b) implement controls over monthly reporting to enable management to identify and explain material variances between actual and budgeted expenditure.**

Departments responsible: Department of Peacekeeping Operations and Department of Field Support
Status: Implemented
Priority: Medium
Target date: Not applicable

101. **In paragraph 315, the Board recommended that UNMIL implement the best practices toolbox for handover notes for staff members leaving the Mission permanently, in order to assist their successors during the transition periods.**

Departments responsible: Department of Peacekeeping Operations and Department of Field Support

Status: Implemented
Priority: Medium
Target date: Not applicable

102. **In paragraph 318, the Board recommended that MONUC explore the possibility of having a cost-recovery system in place for common services involving other United Nations agencies and arrange for the necessary memorandum of understanding to be prepared and signed by all concerned parties.**

Departments responsible: Department of Peacekeeping Operations and Department of Field Support

Status: In progress
Priority: Medium
Target date: Third quarter of 2008

103. **In paragraph 323, the Board reported that the Department of Peacekeeping Operations had agreed with its recommendation that it take steps to ensure that the integrated mission planning process guidelines are finalized and made fully operational as early as possible.**

104. The Department of Peacekeeping Operations is currently coordinating an interdepartmental and inter-agency effort to develop a comprehensive set of operational guidance notes on key steps of the process to ensure the translation of the integrated mission planning process from policy prescriptions into standard practice. Four guidelines have been developed and are under review in an interdepartmental and inter-agency working group; over the next months they will be translated into templates and checklists to ensure greater accessibility by practitioners. This will be followed by the development of integrated mission planning process training modules for Headquarters and field personnel. It is envisaged that the draft guidelines will be finalized during the third quarter of 2008.

Departments responsible: Department of Peacekeeping Operations and Department of Field Support

Status: In progress
Priority: High
Target date: Third quarter of 2008

105. **In paragraph 325, the Board recommended that UNMIS expedite the implementation of the integrated mission planning process.**

Departments responsible: Department of Peacekeeping Operations and Department of Field Support

Status: In progress
Priority: Medium
Target date: Third quarter of 2008

106. **In paragraph 330, the Board recommended that the Department of Peacekeeping Operations take steps to expedite the completion of the guidelines relating to quick-impact projects and ensure that they are implemented at all missions.**

Departments responsible: Department of Peacekeeping Operations and Department of Field Support

Status: In progress
Priority: High
Target date: Second quarter of 2008

107. **In paragraph 332, the Board recommended that UNOMIG improve its monitoring of quick-impact projects, as well as the related documentation and filing of the results of such monitoring.**

108. UNOMIG has put in place appropriate measures to ensure effective monitoring and completion of the quick-impact projects, including those referred to by the Board of Auditors, which are trust fund projects funded with contributions from Member States and the European Commission. The Mission has opened files for each project; these contain monitoring reports which disclose the percentage of completion and the total cost incurred. In addition, the Mission has enhanced its procedures for the proper evaluation of the effectiveness of its quick-impact projects.

Departments responsible: Department of Peacekeeping Operations and Department of Field Support

Status: Implemented
Priority: Medium
Target date: Not applicable

109. **In paragraph 338, the Board recommended that the Administration, in collaboration with mission management, develop strategies to ensure that: (a) quick-impact projects are completed within the agreed time frames; and (b) physical inspections are carried out periodically to ensure that the work undertaken is of an acceptable quality.**

Departments responsible: Department of Peacekeeping Operations and Department of Field Support

Status: Implemented
Priority: High
Target date: Not applicable

110. **In paragraph 347, the Board recommended that OIOS: (a) expedite the filling of all resident auditor posts to ensure effective internal audit coverage of all missions; (b) carefully monitor the workplans of the resident audit service to ensure that audits are executed and finalized in a timely manner; and (c) update on a regular basis its recommendation tracking system at MINUSTAH.**

111. With regard to part (a) of the recommendation, the process for expediting the filling of all resident auditor posts has begun. The target date for filling resident auditor posts is 31 October 2008. Bimonthly reviews of the peacekeeping audit workplan have been introduced in order to monitor carefully the progress of assignments so that they are conducted and finalized in a timely manner. Therefore, part (b) has been implemented. OIOS has a central tracking system and routinely follows up on all outstanding recommendations with management in connection with the semi-annual reports to the Secretary-General and annual report to the General Assembly on the status of implementation of recommendations.

Department responsible: Office of Internal Oversight Services
Status: In progress
Priority: High
Target date: Third quarter of 2008

III. Implementation of the recommendations contained in the report of the Board of Auditors concerning United Nations peacekeeping operations for prior financial periods

112. In paragraph 10 of General Assembly resolution 61/233 B, the Secretary-General was requested to provide, in the next report on the implementation of the recommendations of the Board of Auditors concerning the United Nations peacekeeping operations, a full explanation for delays in implementation of the recommendations of the Board for the period ended 30 June 2006 or prior periods.

113. In annex II to its report for 2006/07, the Board provided a summary of the status of implementation of recommendations for previous financial periods. Information is provided below on the 41 recommendations listed as outstanding from prior periods, 39 of which are shown as "partially implemented" and 2 as "not implemented" in annex II. The information is set out in the order in which the recommendations are presented in annex II.

114. The following tables summarize the overall situation.

Table 3
Status of implementation of outstanding previous recommendations referred to in the report of the Board of Auditors for the financial period ended 30 June 2007

Department responsible	*Number of recommendations*	*Not accepted*	*Implemented or closure requested*	*In progress*	*Target date set*	*No target date*
Department of Peacekeeping Operations and Department of Field Support	26	—	11	15	10	5
Department of Management	12	—	6	6	6	—
Department of Management, Department of Peacekeeping Operations and Department of Field Support	2	—	—	2	2	—
Department of Safety and Security	1	—	—	1	1	—
Total	**41**	**—**	**17**	**24**	**19**	**5**

115. It should be noted that, of the 24 recommendations in progress, 17 are targeted for implementation before the end of 2008 and 1 by the first quarter of 2009, 1 is to be determined and the full implementation of the remaining 5 are dependent on factors that are beyond the control of the Secretariat.

116. **In paragraph 45 of its report for 2005/06,[2] the Board recommended that the Department of Peacekeeping Operations ensure: (a) strict adherence to financial rules 105.7 to 105.9 as they relate to the criteria for recognition of unliquidated obligations; and (b) that obligations are duly certified and approved by authorized officials. (Reference is also made to paragraph 26 of the Board's report for 2004/05.)[3]**

117. Section 13.8.1 of the United Nations Procurement Manual allows for the use of internal purchase orders to obligate funds for goods received against established contracts. The use by UNOCI of internal purchase orders to reserve credits in the accounts is in compliance with the Procurement Manual.

Departments responsible: Department of Peacekeeping Operations and Department of Field Support
Status: Closure by the Board requested
Priority: High
Target date: Not applicable

118. It should be noted that the recommendation contained in paragraph 26 of the Board's report for 2004/05 and referred to in annex II to its report for 2006/07 was implemented.

119. **In paragraph 39 of its report for 2005/06, the Board reiterated its previous recommendation that the Administration assess the reasons for the increase in savings and cancellations of prior-year unliquidated obligations and implement appropriate measures to avoid a recurrence. (Reference is also made to paragraph 35 of the Board's report for 2004/05.)**

120. Please refer to paragraph 10 of the present report.

Department responsible: Department of Management
Status: In progress
Priority: High
Target date: Third quarter of 2008

121. **In paragraph 48 of its report for 2004/05, the Board reiterated its recommendation that the Administration ensure that missions improve the management of long-outstanding accounts receivable and review their systems to ensure the accurate ageing of accounts receivable.**

122. At MONUC, a task force has been established within the Finance Section to monitor the collection of outstanding accounts receivable and to conduct periodic reviews of the accounts receivable with special emphasis on balances older than 90 days. The Department of Field Support, in coordination with MINURSO and UNOCI, is pursuing the recovery of the accounts receivable from the concerned Member States, one of which settled the amount owed to the Organization in December 2007.

[2] Ibid., *Sixty-first Session, Supplement No. 5, vol. II* (A/61/5 (Vol. II)), chap. II.
[3] Ibid., *Sixtieth Session, Supplement No. 5, vol. II* (A/60/5 (Vol. II)), chap. II.

Departments responsible: Department of Peacekeeping Operations and Department of Field Support
Status: In progress
Priority: Medium
Target date: Full implementation is dependent on external factors

123. As indicated in paragraph 78 of the Board's report for 2004/05, the Administration agreed with the Board's recommendation that, in consultation with the United Nations Development Group and the Inter-Agency Procurement Working Group, it pursue initiatives within predetermined time frames to improve inter-agency procurement activities.

124. The Inter-Agency Procurement Working Group meets annually to discuss issues of common interest, to explore ways of better coordinating activities, harmonizing procurement procedures, sharing best practices and pursuing initiatives within predetermined time frames to improve inter-agency procurement activities. The Working Group has contributed to the development of a number of activities such as: (a) publication of the General Business Guide and the annual statistical report; (b) long-term agreements on vehicles with manufacturers; (c) the establishment of the United Nations Common Coding System; and (d) a United Nations common supplier database, which was redeveloped and launched as the United Nations Global Marketplace in February 2004.

125. At its annual meeting, held in Brazil in June 2006, the Working Group agreed that more formal ties with the High-level Committee on Management, specifically with the network established for human resources management, information and communications technology and finance and budget, would be appropriate, and adopted the following mission statement:

> The Inter-Agency Procurement Working Group is a forum of senior procurement practitioners of the organizations of the United Nations system, who are brought together, under the High-level Committee on Management of the United Nations System Chief Executives Board for Coordination (CEB) in order to promote the strategic importance of procurement and supply chain management in programme and service delivery in a transparent and accountable manner.

126. It was also agreed that the Working Group would address four priorities related to the reform of United Nations procurement, including: (a) advocating procurement as a strategic function for the delivery of mission outcomes; (b) enhancing internal control frameworks of United Nations procurement, including transparency; (c) strengthening the procurement function at the United Nations; and (d) exploring the benefits of establishing a log to capture and communicate results and efforts to improve effectiveness of procurement activities.

127. At its meeting in March 2007, the High-level Committee on Management agreed to designate the Working Group as the new procurement network of the Committee and to rename it the High-level Committee on Management Procurement Network. The Procurement Network held its first meeting in June 2007 in South Africa and designated the United Nations Development Programme as its secretariat. Having taken into account the relevant needs and issues of concern to the General Assembly and the High-level Committee on Management, the High-level Committee on Management Procurement Network formed sub-working groups

to focus on four broad areas: (a) United Nations reform; (b) vendor management; (c) professionalization of the procurement function; and (d) access for suppliers from developing countries and countries with economies in transition. The initiatives and reviews to be undertaken by the sub-working group of the Procurement Network are not to replace those being taken by the United Nations Secretariat, but will, rather, complement the activities of the Secretariat and provide it with a more formal means by which to address and resolve issues of common interest to the United Nations at the system-wide level.

Department responsible: Department of Management
Status: Implemented
Priority: High
Target date: Not applicable

128. **In paragraph 86 of its report for 2005/06, the Board recommended that the Administration expedite the issuance of guidelines for the registration of local vendors in consultation with the missions. (Reference is also made to paragraph 82 of the Board's report for 2004/05.)**

129. Please refer to paragraphs 62 and 63 of the present report.

Department responsible: Department of Management
Status: In progress
Priority: Medium
Target date: Fourth quarter of 2008

130. **In paragraph 89 of its report for 2005/06, the Board reiterated its previous recommendation that the Department of Peacekeeping Operations monitor the submission of vendor performance evaluations to the Procurement Service. (Reference is also made to paragraph 86 of the Board's report for 2004/05.)**

131. As indicated in the report of the Secretary-General on implementation of the recommendations of the Board of Auditors concerning United Nations peacekeeping operations for the financial period ended 30 June 2006 (A/61/811, para. 22), the Administration considers the recommendation to have been implemented. The web portal through which missions provide their performance reports has been fully operational and the missions are up to date in the submission of vendor performance evaluation reports. UNMIS has developed an electronic vendor performance form for the evaluation of its local vendors by the self-accounting units. UNLB has implemented procedures to ensure the completion of performance evaluation reports on local vendors by the self-accounting units and their submission to the Procurement Section. MINURSO now enters locally issued contracts in the Mercury database and closely monitors the submission of the required contract performance reports by the respective requisitioning sections.

Departments responsible: Department of Peacekeeping Operations and Department of Field Support
Status: Implemented
Priority: High
Target date: Not applicable

132. It should also be noted that the Administration considers the recommendation contained in paragraph 86 of the Board's report for 2004/05 and referred to in annex II to its report for 2006/07 to have been implemented.

133. **In paragraph 98 of its report for 2005/06, the Board recommended that the Administration comply with the guidelines of the Procurement Manual to ensure protection against the risk of default on deliveries. (Reference is also made to paragraph 99 of the Board's report for 2004/05.)**

134. The Administration has taken several steps over the past few years to ensure compliance with the provisions of the Procurement Manual with regard to the acceptance and safekeeping of performance bonds and to ensure that mechanisms are in place through the terms and conditions incorporated into contracts to mitigate the risk of default on deliverables.

135. Procurement staff were reminded in 2006 and 2007 to comply with the Organization's rules with regard to performance bonds and were requested, inter alia, to ensure consistent application of the provisions of the Procurement Manual. This has resulted in a high rate of compliance with the existing policy on performance bonds. The Division is currently reviewing its policy on the use of performance bonds, and consultation continues with the Office of Legal Affairs with regard to the liability aspects of the revised performance bonds. The outcome of this revision will affect the terms and conditions of the bid module documents and the Procurement Manual will be revised accordingly. The Procurement Division is also in the process of training procurement staff at Headquarters and in the field offices in procurement operations, including topics related to the proper use of international commercial terms and adherence to contractual obligations.

136. As indicated in paragraphs 24 to 27 of the report of the Secretary-General on the implementation of the recommendations of the Board of Auditors concerning United Nations peacekeeping operations for the financial period ended 30 June 2006 (A/61/811), contractors do not automatically need to be requested to increase the value of performance bonds when an amendment to increase the contract value is issued. The decision to require a performance bond is based on several factors, such as the contractor's reputation, experience and the cost of the bond weighted against the perceived potential risk to the Organization should the contractor fail to execute the contract satisfactorily.

Department responsible: Department of Management
Status: Implemented
Priority: High
Target date: Not applicable

137. It should be noted that the recommendation referred to in paragraph 99 of the Board's report for 2004/05 and in annex II to its report for 2006/07 has been implemented.

138. **In paragraph 101 of its report for 2004/05, the Board recommended that the Administration determine the underlying causes of the high vacancy rates in the procurement sections at some of the missions and initiate an appropriate action plan to reduce them to acceptable levels.**

139. Please refer to paragraphs 93 and 94 of the present report.

Departments responsible: Department of Peacekeeping Operations and Department of Field Support
Status: In progress
Priority: Medium
Target date: Full implementation is dependent on the implementation of proposed human resource reforms

140. **In paragraph 105 of its report for 2004/05, the Board recommended that the Administration expedite the filling of key vacant positions at peacekeeping missions, such as the post of Chief Procurement Officer.**

141. Please refer to paragraphs 93 and 94 of the present report.

Departments responsible: Department of Peacekeeping Operations and Department of Field Support
Status: In progress
Priority: Medium
Target date: Full implementation is dependent on the implementation of proposed human resource reforms

142. In paragraph 112 of the Board's report for 2005/06, the Administration agreed with the Board's reiterated recommendation to identify and address the training needs of procurement officers at missions. (Reference is also made to paragraph 118 of the Board's report for 2004/05.)

143. The Department of Field Support has been working closely with the Department of Management to assist in the development of a five-day training course for procurement staff, as well as for the members of the Local Committee on Contracts. The pilot courses were successfully delivered to MONUC staff in May/June 2007 and the roll-out to all missions and offices away from Headquarters has been ongoing since September 2007. Furthermore, the Department has been working with the Department of Management to identify the required resources for future procurement training and accordingly, has issued guidance to all peacekeeping missions on the provision of funds required for the training of staff of the procurement sections in the budgets for the 2008/09 financial period. Discussions between the two Departments are ongoing in order to determine the best way to address the overall training needs of procurement officers in the missions.

Departments responsible: Department of Peacekeeping Operations and Department of Field Support
Status: In progress
Priority: High
Target date: Full implementation is dependent on the provision of resources

144. **In paragraph 124 of its report for 2005/06, the Board reiterated its previous recommendation that the Administration monitor ex post facto submissions to ensure adequate justification and accountability for delays. (Reference is also made to paragraph 131 of the Board's report for 2004/05.)**

145. As indicated in the report of the Secretary-General (A/61/811, paras. 35-37), the recommendation had been implemented. However, the Secretariat has put in place further mechanisms to assist in ensuring the submission of adequate justification and to strengthen monitoring, control, and accountability with regard to ex post facto approval of cases. The Procurement Division has established the Field Liaison Unit to administer procurement cases submitted to Headquarters from the peacekeeping missions for review by the Headquarters Committee on Contracts. A Planning, Compliance and Monitoring Section has been established within the Procurement Division and will have some responsibility for monitoring and reporting ex post facto cases. As an extra monitoring and control procedure, all ex post facto cases must now be submitted to the Controller for approval upon review by the Headquarters Committee on Contracts.

Department responsible: Department of Management
Status: Implemented
Priority: High
Target date: Not applicable

146. **In paragraph 137 of its report for 2004/05, the Board recommended that the Administration shorten the contract-letting process between the date of submission of cases to Headquarters and the date of the final recommendation of the Headquarters Committee on Contracts.**

147. The Headquarters Committee on Contracts is an integral part of the Secretariat's procurement internal control framework and therefore, as part of the ongoing reform of the United Nations Procurement function, several steps have been taken to improve the functioning of the Committee. These include reduction of the processing time for cases at a time when the rapid expansion of peacekeeping operations continues to have a tremendous impact on the workload of the Committee in terms of the number, value and complexity of cases.

148. The secretariat of the Headquarters Committee on Contracts has developed training for the Local Committee on Contracts in order to assist its members in enhancing the vetting capacity of proposed procurement actions. The training was provided with assistance from the Procurement Division and clarified policies and procedures with regard to the role, functions and process of the Local Committee on Contracts and the Headquarters Committee on Contracts; the latter Committee has observed the improvements in the former Committee's vetting process. The Headquarters Committee on Contracts secretariat is further developing monitoring procedures in consultation with OIOS, the Department of Field Support and the Procurement Division as part of the discussions on the proposal to increase the threshold of the Headquarters Committee on Contracts and the Local Committee on Contracts, and to delegate higher procurement authority.

Department responsible: Department of Management
Status: Implemented
Priority: Medium
Target date: Not applicable

149. **In paragraph 168 of its report for 2004/05, the Board recommended that the Administration determine whether the change of air operations contracts to the new costing structure had resulted in savings.**

150. The Procurement Division recruited a consultant to determine whether the change of air operations contracts to the new costing structure has resulted in savings and reflects current commercial practices. The consultant's report is currently under consideration by the Division.

Department responsible: Department of Management
Status: In progress
Priority: High
Target date: Second quarter of 2008

151. **As indicated in paragraph 150 of the Board's report for 2005/06, the Department of Peacekeeping Operations agreed with the Board's recommendation that it monitor on a regular basis the submission of the**

aviation technical evaluation reports. (Reference is also made to paragraph 171 of the Board's report for 2004/05.)

152. The Department of Field Support implemented an electronic aviation inspection and recommendations module at Headquarters and in the missions that utilize air assets. The Department regularly monitors and evaluates air carrier performance reports received from missions through the system and reports cases of non-compliance to the Procurement Service for subsequent rectification by the vendors.

Departments responsible: Department of Peacekeeping Operations and Department of Field Support
Status: Implemented
Priority: High
Target date: Not applicable

153. It should be noted that, as indicated in the report of the Secretary-General (A/61/811, para. 148), the recommendation referred to in paragraph 171 of the Board's report for 2004/05 and in annex II to its report for 2006/07 was implemented.

154. **As indicated in paragraph 178 of the Board's report for 2004/05, the Department of Peacekeeping Operations agreed with the Board's recommendation that it expedite the aircraft tracking system feasibility assessment and implement the tracking system at all missions.**

155. The General Assembly, in its resolution 61/277, decided to create five new posts to establish the Strategic Air Operations Centre at UNLB. The Department of Field Support anticipates that the Centre, which will be operational by June 2008, will provide an aircraft tracking system, including a global flight following system for the entire United Nations air fleet. It will also have oversight over all Department of Peacekeeping Operations inter-mission flights worldwide.

Departments responsible: Department of Peacekeeping Operations and Department of Field Support
Status: In progress
Priority: Medium
Target date: Second quarter of 2008

156. **As indicated in paragraph 184 of the Board's report for the period 2005/06, the Department of Peacekeeping Operations agreed with the Board's recommendation that it investigate the cause for the discrepancies and errors contained in the reports generated from CarLog and FuelLog and implement the measures to rectify those errors. (Reference is also made to paragraph 214 of the Board's report for 2004/05.)**

157. As confirmed in paragraph 167 of the Board's report for 2006/07, the discrepancies noted at UNMIK were due to the inadequate infrastructure supporting the system and a lack of coordination between the Communications and Information Technology Service and the Transport Section of UNMIK. However, the Mission has since designed and implemented a new integrated software system which manages information in CarLog and FuelLog. The new system has been fully functional at the Mission since November 2007.

Departments responsible: Department of Peacekeeping Operations and Department of Field Support
Status: Implemented
Priority: Medium
Target date: Not applicable

158. It should be noted that, as explained in the report of the Secretary-General (A/61/811, para. 156), the recommendation referred to in paragraph 214 of the Board's report for 2004/05 and in annex II to its report for 2006/07 has been implemented.

159. As indicated in paragraph 206 of the Board's report for 2005/06, the Department of Peacekeeping Operations agreed with the Board's reiterated recommendation that it ensure the proper custody, control, recording and disposal of non-expendable property. (Reference is also made to paragraph 233 of the Board's report for 2004/05.)

160. The year-end inventory report of UNLB on non-expendable property for 2005/06 was in compliance with the guidelines and instructions issued by the Department of Peacekeeping Operations and the Accounts Division. The value of non-expendable property in the year-end report for 2005/06 was not overstated. UNFICYP has implemented measures to improve the physical controls over its non-expendable equipment and to resolve the discrepancies in the inventory records. The Mission has reminded the self-accounting units of the strict compliance with the requirement regarding the prompt issuance of handover vouchers to support the transfer of equipment at all times. In addition, sector logistics officers were reminded of the requirement to submit monthly relocation reports in order to facilitate the timely update of the Galileo system. The Mission issued an internal information circular, dated 7 September 2007, stressing the importance of the proper recording of the movement or relocation of assets. The circular will be reissued periodically to remind self-accounting units and end-users of their obligations with regard to the management of non-expendable equipment.

161. The assets of UNMIS are currently located at over 31 sites throughout the Sudan and in Nairobi, Addis Ababa and Entebbe, Uganda. The Mission has initiated a routine schedule of verification and inspection of its assets. UNMIL investigated the cases noted by the Board of Auditors and the discrepancies were corrected. Furthermore, the information in the Galileo system is now updated on a routine basis.

162. At UNMEE, the module for write-off and disposal has been implemented in the Galileo system and the required training was provided to staff members dealing with property management. The Galileo system is now updated in a timely manner to reflect the accurate status of cases for write-off. The relocation of a significant number of administrative staff members to Addis Ababa during December 2005 disrupted the regular meetings of the Local Property Survey Board. The activities of the Local Board have resumed and the backlog of cases for write-off and disposal has been considerably reduced.

163. The Department of Field Support issued a directive to the missions on property control and accountability in January 2008. The missions have been requested to ensure that full physical inventory checks are conducted and balances reconciled

with the information in the Galileo system in order to facilitate timely investigation and correction of noted discrepancies.

Departments responsible: Department of Peacekeeping Operations and Department of Field Support

Status: Implemented
Priority: High
Target date: Not applicable

164. It should be noted that the recommendation contained in paragraph 233 of the Board's report for 2004/05 and referred to in annex II to its report for 2006/07 was implemented.

165. In paragraph 263 of its report for 2004/05, the Board recommended that the Department of Peacekeeping Operations address all the matters highlighted in the internal audit and investigation reports and implement corrective measures in order to improve the overall management of fuel at peacekeeping missions.

166. The Department of Field Support, in coordination with an external fuel expert, has developed a draft fuel management manual, which is being reviewed in collaboration with peacekeeping missions and offices at Headquarters. Meanwhile, the mission electronic fuel accounting system has been introduced in UNMIS, UNIFIL and UNMIL. A more comprehensive fuel management system is planned for the longer term. A high-level business case was approved and the statement of work completed; a request for proposal was launched, a bidder's conference was held and the technical evaluation is scheduled to start on 26 March 2008. The goal of the new software will be to increase visibility of fuel usage and further improve the overall management of fuel at peacekeeping missions. In addition, consultants will be engaged to review and improve the Department's fuel business models, quality assurance and quality control, and identify risk areas to facilitate the adoption of industry best practices. The Department anticipates that the consultant's report will be finalized during the third quarter of 2008 and that the implementation of fuel management system will commence in one mission during the fourth quarter of 2008.

Departments responsible: Department of Peacekeeping Operations and Department of Field Support

Status: In progress
Priority: High
Target date: Fourth quarter of 2008

167. As indicated in paragraph 269 of the Board's report for 2004/05, the Department of Peacekeeping Operations agreed with the Board's recommendation that it implement the mission electronic fuel accounting system in order to improve the monitoring of fuel at peacekeeping missions and to further prevent and detect fuel mismanagement and fraud.

168. The implementation of the recommendation has been overtaken by events. The initial deployment of the mission electronic fuel accounting system to UNMIS, UNMIL and UNIFIL has been completed. The plan to implement the system in other missions has been suspended, as human and financial resources are now focused on

the development of the new fuel management system that will incorporate its functionalities.

Departments responsible: Department of Peacekeeping Operations and Department of Field Support
Status: Overtaken by events
Priority: High
Target date: Not applicable

169. **In paragraph 298 of its report for 2005/06, the Board recommended that, pending the implementation of the electronic system of rations management, the Department of Peacekeeping Operations enforce the submission of semi-annual evaluation reports on the vendors to the Procurement Service. (Reference is also made to paragraph 315 of the Board's report for 2004/05.)**

170. At the workshops held in 2007 in Uganda and Liberia, the Department of Field Support reminded missions of the importance of the submission of vendor performance evaluation reports to Headquarters in a timely manner. The missions are in compliance with the established procedures relating to the submission of performance evaluation reports.

Departments responsible: Department of Peacekeeping Operations and Department of Field Support
Status: Implemented
Priority: High
Target date: Not applicable

171. It should be noted that, as explained in the report of the Secretary-General (A/61/811, para. 162), the recommendation contained in paragraph 315 of the Board's report for 2004/05 and referred to in annex II to its report for 2006/07 was implemented.

172. **As indicated in paragraph 294 of the Board's report for 2005/06, the Department of Peacekeeping Operations agreed with the Board's recommendation to enforce rations-contract-related procedures. (Reference is also made to paragraph 326 of the Board's report for 2004/05.)**

173. The Department of Field Support has developed procedures and guidelines for the administration of all new contracts for the provision of food rations and bottled water. These guidelines reflect the joint understanding of the parties to contracts on how articles of the contracts will be administered. The Department periodically communicates with the missions to ensure that rations policies and procedures are implemented. In accordance with the rations contracts, missions hold monthly performance meetings with the rations vendors and forward the minutes of those meetings to the Department for review. In March 2007, a conference on rations and supply management was conducted at UNLB. The participants included chiefs of the Rations Units from the missions, and rations contract implementation issues were thoroughly discussed. Furthermore, two meetings at which issues relating to vendors' performance were discussed were held during 2007, one in Uganda and the other in Liberia. Participants at the meeting included representatives from missions' Rations Units, rations vendors, the Procurement Service and the Supply Section of the Logistics Support Division. In addition, a Department of Field Support team visited UNMIT in May 2007 and MINURSO in August 2007, for about 10 days,

during which it trained mission staff and provided support in the implementation of new contracts. The MINURSO rations contract was signed in August 2007.

Departments responsible: Department of Peacekeeping Operations and Department of Field Support
Status: Implemented
Priority: Medium
Target date: Not applicable

174. It should be noted that, as detailed in the report of the Secretary-General (A/61/811, paras. 164-166), the implementation of the recommendation contained in paragraph 326 of the Board's report for 2004/05 referenced and referred to in annex II to its report for 2006/07 is in progress and targeted for full implementation in the second quarter of 2009.

175. **In paragraph 335 of its report for 2004/05, the Board recommended that the Administration monitor missions' compliance with leave policies and procedures and ensure that accurate leave records are maintained.**

176. The Field Personnel Division is working with mission management to leverage existing and disparate information technology solutions to track time and attendance until the enterprise resource planning system is rolled out to the field. Accordingly, a Matrix Lotus Notes attendance system (Matrix) has been developed and implemented in nine missions. The Field Personnel Division, in cooperation with the Communications and Information Technology Service, will extend the scope of the Matrix to cover the attendance of all categories of staff in receipt of allowances, and will standardize the Matrix to a suitable common template with interface to end-users. During the second quarter of 2008, the system will be implemented in two additional missions and will be launched in the remaining 11 missions during the fourth quarter of 2008.

Departments responsible: Department of Peacekeeping Operations and Department of Field Support
Status: In progress
Priority: High
Target date: Fourth quarter of 2008

177. **As indicated in paragraph 309 of the Board's report for 2005/06, the Department of Peacekeeping Operations agreed with the Board's recommendation that it implement measures to monitor missions in improving training needs assessment and to evaluate the cost-effectiveness of the current mode of training. (Reference is also made to paragraph 345 of the Board's report for 2004/05.)**

178. The Integrated Training Service is currently implementing a new Peacekeeping Training Strategy for the Department of Peacekeeping Operations and the Department of Field Support that was formulated following wide consultations with Member States, peacekeeping missions, training partners and relevant areas at United Nations Headquarters. The first step of the strategy was the commencement, in February 2008, of a comprehensive peacekeeping training needs assessment of peacekeeping missions, Member States, and Headquarters personnel. The assessment will take months to conduct, and once the results are analysed, an implementation plan will be devised and action taken to meet priority needs. A key component of the peacekeeping training strategy is for the Integrated Training

Service to markedly increase support to field training. The Field Training Support Section of the Service, responsible for working with field trainers, has had its staff increased. The Section will work very closely with mission trainers during the needs analysis process, and once it has been completed it will maintain close liaison to ensure that missions implement the necessary actions and meet the priority training requirements. It will also work with the missions to ensure that they carry out their own internal training needs analyses on a regular basis. Furthermore, lower level evaluation of peacekeeping training is continuing as before; however, higher level evaluations led by the Integrated Training Service are currently on hold, as efforts are focused on implementing the peacekeeping training strategy. Once priority needs are identified and action taken to meet them, higher level evaluation of the effectiveness of training will be resumed, both by the Integrated Training Service and by trainers in the field.

Departments responsible: Department of Peacekeeping Operations and Department of Field Support
Status: In progress
Priority: Medium
Target date: First quarter of 2009

179. It should be noted that, as explained in the report of the Secretary-General (A/61/811, para. 171), the recommendation contained in paragraph 345 of the Board's report for 2004/05 and referred to in annex II to its report for 2006/07 was implemented.

180. As indicated in paragraph 351 of the Board's report for 2005/06, the Department of Peacekeeping Operations agreed with the Board's recommendation that it review its results-based-budgeting framework so that indicators of achievement and output were measurable, specific and time-based.

181. The Department of Field Support, in conjunction with the missions, has made significant progress in developing clear and measurable indicators of achievement in missions' results-based-budget framework for 2007/08. At the budget workshop held in Cairo in July 2007, the main focus was the development of clear and measurable indicators of achievement; missions participated, and further improvements have been achieved during the preparation of the budget for 2008/09.

Departments responsible: Department of Peacekeeping Operations and Department of Field Support
Status: Implemented
Priority: High
Target date: Not applicable

182. As indicated in paragraph 357 of the Board's report for 2005/06, the Department of Peacekeeping Operations agreed with the Board's recommendation that it: (a) implement in all missions a system to monitor the results-based budgeting information-gathering process; and (b) specify in the mission budget whether the outputs indicated for expected accomplishments related to the specific budget period or whether it related to the actual performance over the period since the output had been identified. (Reference is also made to paragraphs 411 and 414 of the Board's report for 2004/05.)

183. As explained in the report of the Secretary-General (A/61/811, para. 105), the implementation of this recommendation is in progress and is targeted for completion in the third quarter of 2008.

Departments responsible: Department of Peacekeeping Operations and Department of Field Support
Status: In progress
Priority: Medium
Target date: Third quarter of 2008

184. It should be noted that, as detailed in the report of the Secretary-General (A/61/811, para. 179), the recommendation contained in paragraph 411 of the Board's report for 2004/05 and referred to in annex II to its report for 2006/07 was implemented.

185. It should be noted that, as detailed in the report of the Secretary-General (A/61/811, para. 181), the recommendation contained in paragraph 414 of the Board's report for 2004/05 and referred to in annex II to its report for 2006/07 was implemented.

186. **As indicated in paragraph 57 of the Board's report for 2005/06, the Administration agreed with the Board's recommendation that all relevant staff undertake training on the use of the funds monitoring tool.**

187. The Peacekeeping Financing Division, in collaboration with the Field Budget and Finance Division and Communications and Information Technology Service, provides training every year to field missions, as well as to UNLB and staff at Headquarters on a rolling basis. In 2006/07, 179 personnel were trained in four peacekeeping missions, at UNLB and at Headquarters.

Department responsible: Department of Management
Status: Implemented
Priority: Medium
Target date: Not applicable

188. **As indicated in paragraph 61 of its report for 2005/06, the Board recommended that the Administration ensure the timely reconciliation of the funds monitoring tool with the trial balances and continually send feedback to the Office of Programme Planning, Budget and Accounts in respect of the problems encountered in the implementation of the funds monitoring tool with a view to its further enhancement.**

189. Reconciliation of the funds monitoring tool with the trial balances is performed at year's end after closure of the peacekeeping accounts. This function is performed by the funds monitoring tool focal point in the Peacekeeping Finance Division. Problems in the funds monitoring tool can be communicated by anybody either to the funds monitoring tool help desk in the Communications and Information Technology Service or to the funds monitoring tool focal point in the Peacekeeping Finance Division, who will follow up on the issues raised. The following enhancements to the funds monitoring tool were implemented in 2006/07: the funds monitoring tool portal was upgraded to version 7.3 on 1 July 2006, bringing improvements to the navigation interface; a new standard report has been developed, facilitating the production of performance report information by object code.

Department responsible: Department of Management
Status: Implemented
Priority: Medium
Target date: Not applicable

190. **In paragraph 65 of the Board's report for 2005/06, the Department of Peacekeeping Operations agreed with the Board's recommendation to implement all petty cash controls.**

191. The results of the self-assessment review carried out by the missions, based on the main findings of the United Nations oversight bodies for the 12-month period ended 30 June 2006, disclosed that the missions are in full compliance with the recommendation. Furthermore, the four missions reported on by the Board of Auditors for the period 2006/07 have confirmed that the established procedures relating to controls and handling of petty cash are being enforced.

Departments responsible: Department of Peacekeeping Operations and Department of Field Support
Status: Implemented
Priority: Medium
Target date: Not applicable

192. **As indicated in paragraph 83 of the Board's report for 2005/06, the Administration agreed with the Board's recommendation that it comply with the Procurement Manual in relation to maintaining vendor files.**

193. The understaffing of the Procurement Section of UNMIK accounted for the interruption in the updating of the vendors' roster. A staff member was recruited in November 2007 and assigned the responsibility of updating the vendors' database. As at 13 March 2008, of the 1,345 vendors registered with the Mission, 225 vendor files have been updated with the required data. The updating of the remaining 1,120 files is in progress and is anticipated to be completed during the second quarter of 2008.

Departments responsible: Department of Peacekeeping Operations and Department of Field Support
Status: In progress
Priority: Medium
Target date: Second quarter of 2008

194. **In paragraph 134 of its report for 2005/06, the Board recommended that the Department of Peacekeeping Operations strictly enforce the requirement for all contracts to be signed by the contracting parties before the delivery of services and ensure that the finalization of contracts is expedited.**

195. Please refer to paragraphs 53 and 54 of the present report.

Department responsible: Department of Management
Status: In progress
Priority: Medium
Target date: Second quarter of 2008

196. **In paragraph 153 of its report for 2005/06, the Board recommended that the Department of Peacekeeping Operations establish the Aviation Safety Council to provide guidance on air safety.**

197. The establishment of an Aviation Safety Council was discussed at a recent meeting of the High-level Committee on Management, which is considering several options to make progress on the matter.

Department responsible: Department of Safety and Security
Status: In progress
Priority: Medium
Target date: To be determined

198. **In paragraph 212 of its report for 2005/06, the Board recommended that the Administration expedite the approval of write-off and disposals of non-expendable property that meet the criteria for such action.**

199. During 2007, nine missions have met the target of writing off assets that related to the period ended 31 December 2006. In an effort to further enhance its ability to expedite the write-off and disposal process, the Department of Field Support has written to the Office of the Controller requesting the approval to increase the delegated threshold of the missions. This would empower missions to write off more assets locally and would result in a decrease in the number of cases requiring referral to Headquarters. The Department has contacted the Department of Management on the matter and the two Departments intend to resolve the issue by the end of the second quarter of 2008.

Departments responsible: Department of Management,
Department of Peacekeeping Operations and
Department of Field Support
Status: In progress
Priority: High
Target date: Second quarter of 2008

200. **In paragraph 214 of its report for 2005/06, the Board recommended that the Department of Peacekeeping Operations revisit the delegations of authority for the purpose of aligning limits with current situations and study the possibility of setting up a Headquarters Property Board within the Department to expedite processes on approval of write-offs and disposals.**

201. The Department considers that an increase in the delegation of authority, along with an expanded delegation to exercise procedures over certain types of write-off cases, will adequately streamline the process without the need to establish its own Headquarters property survey board. The Department has contacted the Department of Management on the matter and the two Departments intend to resolve the issue by the end of the second quarter of 2008.

Departments responsible: Department of Management,
Department of Peacekeeping Operations and
Department of Field Support
Status: In progress
Priority: Medium
Target date: Second quarter of 2008

202. **As indicated in paragraph 236 of the Board's report for 2005/06, the Department of Peacekeeping Operations agreed with the Board's recommendation that the Department monitor stock levels of expendable**

equipment by establishing and maintaining minimum and maximum stock quantities.

203. The Department of Field Support is in the process of developing warehouse guidelines to assist missions in inventory management and anticipates that the guidelines will be approved and circulated for implementation during the fourth quarter of 2008.

Departments responsible: Department of Peacekeeping Operations and Department of Field Support
Status: In progress
Priority: Medium
Target date: Fourth quarter of 2008

204. **In paragraph 285 of its report for 2005/06, the Board recommended that the Administration use the full set of criteria for posts necessary for providing backstopping to peacekeeping operations.**

205. Please refer to paragraphs 21 and 22 of the present report.

Department responsible: Department of Management
Status: In progress
Priority: High
Target date: Third quarter of 2008

206. **In paragraph 290 of its report for 2005/06, the Board recommended that the Administration ensure that job descriptions and workplans provide adequate, clear/specific, consistent and updated information to facilitate review and verification of the use of posts as intended.**

207. Please refer to paragraphs 21 and 22 of the present report.

Department responsible: Department of Management
Status: In progress
Priority: Medium
Target date: Third quarter of 2008

208. **As indicated in paragraph 303 of the Board's report for 2005/06, the Department of Peacekeeping Operations agreed with the Board's recommendation that it implement a comprehensive human resources plan in order to attract and retain the best qualified and most experienced staff members.**

209. As reported in the report of the Secretary-General (A/61/811, para. 126), implementation is under way and targeted for completion in the third quarter of 2008.

Departments responsible: Department of Peacekeeping Operations and Department of Field Support
Status: In progress
Priority: High
Target date: Third quarter of 2008

210. **In paragraph 311 of its report for 2005/06, the Board recommended that the Department of Peacekeeping Operations ensure that missions prepare and**

implement the succession plans for the filling of key positions in a timely fashion.

211. Please refer paragraphs 93 and 94 of the present report.

Departments responsible: Department of Peacekeeping Operations and Department of Field Support
Status: In progress
Priority: Medium
Target date: Full implementation is dependent on the implementation of proposed human resource reforms

212. **As indicated in paragraph 317 of the Board's report for 2005/06, the Department of Peacekeeping Operations agreed with the Board's recommendation to improve the gender distribution of staff in the missions.**

213. As reported in the report of the Secretary-General (A/61/811, para. 127), implementation is under way and targeted for completion in the third quarter of 2008.

Departments responsible: Department of Peacekeeping Operations and Department of Field Support
Status: In progress
Priority: Medium
Target date: Third quarter of 2008

214. **In paragraph 325 of its report for 2005/06, the Board recommended that the Department of Peacekeeping Operations continue its efforts to fill vacant posts in a timely manner through an improved outreach to qualified candidates and networking with Member States, peacekeeping partners and other organizations.**

215. As part of the Department of Field Support's plan to attract qualified candidates for peace operations, priority is being given to outreach activities for those hard-to-fill positions. To meet this goal, the Department's recruitment specialists now routinely participate in conferences and job fairs. The Department also focuses on networking with professional organizations, universities and specialized websites in order to gain access to talented and available individuals. Advertisements calling for candidates have been posted on ReliefWeb, the Chartered Institute of Linguistics and other similar websites. Through these targeted efforts, the Department has been able to identify candidates for highly specialized positions. The list of Department outreach activities for the period from January to November 2007 was provided to the Board of Auditors.

Departments responsible: Department of Peacekeeping Operations and Department of Field Support
Status: Implemented
Priority: High
Target date: Not applicable

216. **In paragraph 372 of its report for 2005/06, the Board recommended that the Department establish a monitoring mechanism to ensure that quick-impact projects are implemented in accordance with the approved budget, terms and conditions, project milestones and performance expectations.**

217. The policy directive of the Department of Peacekeeping Operations on quick-impact projects was issued in February 2007 and circulated to missions for compliance. The policy directive defines the purpose of quick-impact projects and describes their nature, scope, value and duration. It outlines principles for programme and financial management of such projects and provides direction on budgetary issues. Furthermore, the Department of Peacekeeping Operations has prepared draft guidelines on the management of quick-impact projects. The draft, which will be finalized during the second quarter of 2008, will be circulated to all peacekeeping missions.

Departments responsible: Department of Peacekeeping Operations and Department of Field Support
Status: In progress
Priority: High
Target date: Second quarter of 2008